



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

FILLMORE FIELD OFFICE

35 East 500 North
Fillmore, Utah 84631

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JUL 09 2008

DIV. OF OIL, GAS & MINING



In Reply Refer to:
3610 (UT-010)
UTU-078280

July 1, 2008

Certified Mail 7008 0150 0001 3253 2351
Return Receipt Requested

Vance Barrett
478 South Geneva Rd
Orem, UT 84058

Notice of Intent to Cancel and Forfeit Bond

On November 21, 2005 you entered into a Contract for the Sale of Mineral Materials with the Fillmore Field Office (FFO) of the Bureau of Land Management (BLM) serialized as UTU 078280. The site of the sale is T. 13 S., R. 2 W., section 30. A review of the file and inspection of the site on June 11, 2008 revealed the following contract violations:

- Section 2: "... You are liable for the total purchase price, even if the quantity of materials you ultimately extract is less than the amount shown above."
- Section 3: "... (b) Once you start removing material, you must pay each subsequent installment payment monthly in an amount equal to the value of materials removed the previous month ... You must pay the total purchase price not later than 60 days before the contract expires."

The sales contract was for 18,000 tons of stone for the purchase price of \$79,200.00. To date payments on the contract equal \$6,600.00; leaving \$72,600.00 due on the contract. The contract expired on November 22, 2006.

- Stipulation 5: "Upon termination of the permit, the site, including the access road will be contoured or shaped to blend into the surrounding topography."
- Stipulation 6: "Disturbed sites including areas where boulders have been removed and rolled across the surface and the access road will be seeded ..."
- Section 7: "You must notify BLM immediately when you begin or end operations under this contract."

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- Section 8: "... (b) If you do not perform all terms of the contract, BLM will deduct an amount equal to the damages from the face amount of the bond. If the damages exceed the amount of the bond, you are liable for the excess.

The contract has expired and will be cancelled. The total payment price of the mineral material has not been paid and the access road has not been reclaimed. Your performance bond of \$6,000.00 will be forfeited. In order to prevent the bond forfeiture you must:

1. Begin reclamation of the site within 30 days of your receipt of this letter.
2. Pay the remainder of the total principal price, or
3. Contact the FFO (at the above address) within 30 days of receipt of this letter with an explanation of why you would not owe the remainder of the total purchase price of the mineral material including a production report.

Should you have any questions or concerns please contact Jerry Mansfield, Geologist at 435-743-3125.

Sincerely,


For Sherry K. Hirst
Field Office Manager

cc: Leslie Heppler
UDOGM
1594 W North Temple Ste 1210
Salt Lake City UT 84114-5801